

FISCAL NOTE
SB 298 - HB 563

March 3, 2003

SUMMARY OF BILL:

- Requires contractors providing goods or services to state departments or institutions to complete an affidavit verifying that the contractor has searched the records of the company and any predecessor of the business enterprise regarding documentation of any investments or profits derived from slavery or slaveholder insurance.
- Provides that the chief procurement officer of any state department or institution will make the affidavits available to the public and will file an annual summary to the Speaker of the Senate and Speaker of the House of Representatives. The contract will be voidable on behalf of the state if the contractor knowingly fails to timely complete and file the required affidavit; or completes and files an affidavit containing untrue or misleading information.
- Provides that the Department of General Services will promulgate rules prescribing the style and format of the affidavit required by the bill.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures - Exceeds \$100,000 One-Time
Less than \$100,000 Recurring

Other Fiscal Impact - Any cost incurred by the vendors/contractors to comply with the provisions of the bill could be passed on to state agencies in increased contract prices; therefore, there could be a cost exceeding \$100,000 annually to the state.

Estimate assumes:

- The affidavit must be developed in the Tennessee On-Line Purchasing System (TOPS) and printed and mailed with each Invitation to Bid or Request For Proposal. The TOPS system does not presently capture any information relative to Request for Proposals for professional or personal services contracts.
- Modifications will be required to the TOPS system and to the web based system in the Department of General Services' Division of Purchasing to capture records of the contractor or any predecessor of the business enterprise regarding documentation of any profits derived from slavery or slaveholder insurance policies.
- This information will be made available through the state's intranet.
- The Department of General estimates at least one additional support position, equipment, software applications and related expenses will be required to handle the requirements of the bill. The Department of Finance and Administration indicates at least one part-time account clerk will be needed to comply with the provisions of the bill.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.



James A. Davenport, Executive Director